

STATE OF INDIANA)	IN THE ALLEN SUPERIOR COURT
) SS:	
COUNTY OF ALLEN)	CAUSE NO. <u>02D01-0609-PL-520</u>

STATE OF INDIANA,)
)
Plaintiff,)
)
v.)
)
SHILOH REED,)
individually, and doing business as)
KALYPSO'S INTERNET)
CONSIGNMENT, LLC, and)
)
KALYPSO'S INTERNET)
CONSIGNMENT, LLC,)
)
Defendants.)

CONSENT JUDGMENT

The Plaintiff, State of Indiana, by Attorney General Steve Carter and Deputy Attorney General Terry Tolliver, and the Defendants, Shiloh Reed and Kalypso's Internet Consignment, LLC, hereby agree to entry of a Consent Judgment without trial or adjudication of any issue of fact or law herein.

The parties believe it is in their best interest to resolve the issues raised by the State of Indiana and avoid further litigation. This Consent Judgment does not constitute an admission by the Defendants of any wrongdoing, nor shall it be construed as abandonment by the Attorney General of his position the Defendants violated Indiana's Deceptive Consumer Sales Act. The parties consent to entry of a final judgment in this proceeding by the Court and accept this Consent Judgment as final on the issues resolved herein.

JURISDICTION, SCOPE OF JUDGMENT, AND ACKNOWLEDGMENTS

1. This Court has jurisdiction and venue over the subject matter of this action and the parties hereto.

2. The State of Indiana's Complaint for Injunction, Restitution, Costs, and Civil Penalties, states a cause of action pursuant to the Indiana Deceptive Consumer Sales Act, Indiana Code § 24-5-0.5-1, *et seq.*

3. The Defendant, Shiloh Reed, is an individual engaged in the sale of items via the Internet on behalf of consumers from his principal place of business in Allen County, located at 7605 Coldwater Road, Fort Wayne, Indiana 46845-9032.

4. The Defendant, Kalypso's Internet Consignment, LLC, is a domestic limited liability company engaged in the sale of items via the Internet on behalf of consumers from its principal place of business in Allen County, located at 7605 Coldwater Road, Fort Wayne, Indiana 46845-9032.

5. The Defendants acknowledge they have been advised the Attorney General's role in this matter is to serve as counsel for the State of Indiana and the Office of the Attorney General has not given the Defendants any legal advice regarding this matter. The Defendants expressly acknowledge the Office of the Attorney General has previously advised the Defendants to secure legal counsel prior to entering into this Consent Judgment for any legal advice the Defendants require.

RELIEF ORDERED

6. The Defendants shall not engage in the sale of items via the Internet until the monetary provisions of this judgment are fully satisfied. Furthermore, the Defendants shall not resume business as employees, individuals, owners, principals, or investors in

any subsequent business or corporation engaged in the sale of items via the Internet until the monetary provisions of this judgment are fully satisfied.

7. The Defendants are permanently enjoined from engaging in the following acts and making, causing to be made, or permitting to be made the following representations:

- a. representing, expressly or by implication, the subject of a consumer transaction has sponsorship, approval, characteristics, accessories, uses, or benefits it does not have which the Defendants knew or reasonably should have known it does not have;
- b. representing, expressly or by implication, the Defendants are able to deliver or complete the subject of a consumer transaction within a reasonable period of time, when the Defendants knew or reasonably should know they cannot; and

8. Pursuant to Ind. Code § 24-5-0.5-4(c)(2), the Defendants shall pay consumer restitution in the total amount of Two Thousand Eight Hundred Eighty-Four Dollars and Fifty-One Cents (\$2,884.51) to the Office of the Attorney General, for distribution to the following consumers in the following amounts:

- | | | |
|----|--|------------|
| a. | Tom Dimmich of Auburn, Indiana | \$ 200.00; |
| b. | Mark Lange of Fort Wayne, Indiana | \$ 60.20; |
| c. | George Hoffman of Fort Wayne, Indiana | \$ 100.00; |
| d. | George Riemen of Fort Wayne, Indiana | \$ 81.90; |
| e. | Scott Coonrod of Fort Wayne, Indiana | \$ 231.53; |
| f. | Dianne and Kristin Potter of Fort Wayne, Indiana | \$ 358.12; |
| g. | Edward A. Diggs of Fort Wayne, Indiana | \$ 27.00; |
| h. | Barbara Parker of Fort Wayne, Indiana | \$ 684.00; |
| i. | Nicholas Tigulis of Fort Wayne, Indiana | \$ 170.00; |
| j. | Ronald Cox of Fort Wayne, Indiana | \$ 25.00; |

k.	Bill Kercheval of Fort Wayne, Indiana	\$ 686.76; and
l.	Carole Ann Sell of Leo, Indiana	<u>\$ 260.00.</u>
	TOTAL	\$2,884.51

9. The Defendants shall pay the Office of the Attorney General, pursuant to Ind. Code § 24-5-0.5-4(c)(3), the amount of One Thousand Dollars (\$1,000.00), representing the Plaintiff's costs of investigating and prosecuting this action.

10. The Defendants shall pay the Office of the Attorney General, pursuant to Ind. Code § 24-5-0.5-4(g) and Ind. Code § 24-5-0.5-8, the amount of Twelve Thousand Dollars (\$12,000.00), representing civil penalties for the Defendants' knowing and intentional violations of the Deceptive Consumer Sales Act.

11. **A total monetary judgment in the amount of Fifteen Thousand Eight Hundred Eighty-Four Dollars and Fifty-One Cents (\$15,884.51) shall therefore be entered in favor of the Plaintiff, State of Indiana, and against the Defendants, Shiloh Reed and Kalypso's Internet Consignment, LLC.**

12. The Defendants shall cooperate with the Office of the Attorney General in the resolution of any future written complaints the Consumer Protection Division receives. This shall include, but is not limited to, the Defendants promptly resolving valid consumer complaints brought to the Defendants' attention by the Office of the Attorney General, either prior to, or after the filing of, this Consent Judgment with the Court.

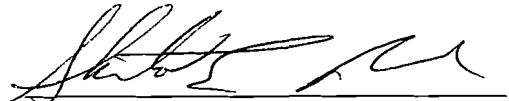
CONTINUING JURISDICTION

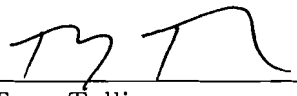
13. For the purpose of enforcing the provisions of this Consent Judgment, any subsequent court obtaining jurisdiction over the Defendants based upon a complaint alleging a violation of any law that is the subject of this Consent Judgment may take

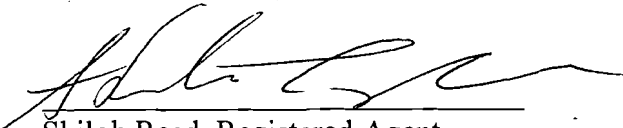
judicial notice of this Judgment and is deemed to be a proper venue for interpretation and enforcement of this agreement. The Defendants waive any objection regarding a court's jurisdiction to punish for contempt and agrees to appear upon proper notice of a failure to comply with any of the provisions of this Judgment.

IN WITNESS WHEREOF, the parties have executed this Consent Judgment this 28 day of December, 2006.

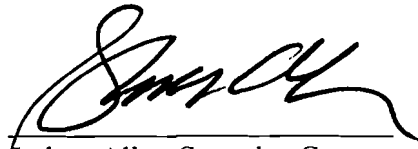
STEVE CARTER
Indiana Attorney General
Attorney no. 4150-64


SHILOH REED
individually and doing business as
Kalypso's Internet Consignment, LLC

By: 
Terry Tolliver
Deputy Attorney General
Attorney No. 22556-49

KALYPSO'S INTERNET
CONSIGNMENT, LLC
By: 
Shiloh Reed, Registered Agent

ALL OF WHICH IS APPROVED, ORDERED, ADJUDGED AND DECREED
this 28 day of December, 2006.


Judge, Allen Superior Court

Distribution:

Terry Tolliver
Office of the Attorney General
302 West Washington Street, IGCS 5th Floor
Indianapolis, IN 46204

Shiloh Reed
12523 Genesta Cove
Fort Wayne, IN 46845

Kalypso's Internet Consignment, LLC
c/o Shiloh Reed, Registered Agent
12523 Genesta Cove
Fort Wayne, IN 46845